

## EXTENSION, AMENDMENT AND RATIFICATION OF OIL AND GAS LEASE

This Agreement, dated the 31<sup>st</sup> day of August 2009 is entered into by and between, Paul F. Hammers of 3 Squire Valley Road, Barboursville W.Va. 25504 as "Lessors", and Columbia Gas Transmission LLC, a Delaware corporation, with an office at 1700 MacCorkle Avenue SE, P.O. Box 1273, Charleston, WV 25325-1273, hereinafter "Columbia".

Whereas, M.A. Walton and Mary A. Walton, husband and wife, and The Wheeling Natural Gas Company, entered into an oil and gas lease dated August 13, 1904, covering property containing 136 acres, more or less, situate in Liberty District, Marshall County, West Virginia; said lease being of record in the Office of the Clerk of the County Commission of Marshall County in Deed Book 117, at Page 110; and whereas said lease was extended by Articles of Agreement on April 11, 1950, and recorded in Deed Book 299 at Page 114, in said Clerk's Office, which property is now identified as Tax Map No. 9, at Parcel 8 & 8.1 (the "Property"); and

Whereas, on May 18, 1954, The Manufacturers Light & Heat Company, successor in interest to The Wheeling Natural Gas Company, obtained an amendment of the above referenced lease, said amendment being of record in the said Clerk's Office in Deed Book 299, at Page 114; and

Whereas, Lessors, successors in interest to the Property, and Columbia, successor in interest to The Manufacturers Light and Heat Company, now desire to extend, amend and ratify the said 1954 lease and amendment with respect thereto.

Now therefore, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid to Lessors by Columbia, the receipt and sufficiency of which is hereby acknowledged, the parties hereto have covenanted and agreed as follows:

1. The term of the lease is amended to read as follows: TO HAVE AND TO HOLD the same unto the Lessee, its successors and assigns, for a term of ten (10) years from the date of the original lease and as long thereafter as a well capable of production is located on the Leasehold, or for so long as extended by provision herein, or for as long as the Leasehold is used for the underground storage of gas, or for the protection of stored gas.
2. The royalty provision is amended to read as follows: Columbia covenants to pay Lessors, proportionate to Lessors' percentage of ownership, as follows:
  - a. For production wells – Columbia to pay Lessor as Royalty, less all taxes, assessments, and adjustments on production from the Leasehold, as follows:
    - i. Oil: To deliver to the credit of Lessor, free of cost, a Royalty of the equal 1/8<sup>th</sup> part of all oil and any

constituents thereof produced and marketed from the Leasehold.

- ii. Gas: To pay Lessor an amount equal to 1/8 of the revenue realized by Lessee for all gas and the constituents thereof produced and marketed from the Leasehold during the preceding month. Columbia may withhold Royalty payment until such time as the total withheld exceeds \$25.00.
- b. For storage wells – Columbia to pay Lessors, annually, a Gas Storage Well Royalty of \$300.00 per well per year for each well on the Leasehold while the well is used for gas storage purposes. This Gas Storage Well Royalty shall be paid in lieu of and replace 75 acres per well of the Storage Acreage Rental payments as set forth in Paragraph 3 below. If a storage well is added after the date of this Agreement, whether by drilling a new well, converting a production well, or redrilling a plugged well, the royalty on the added storage well for the partial year shall accrue from the date the well is completed for use as a gas storage well, but the royalty for the partial year shall be due and payable on the date that the next annual payment is due.
3. Storage Acreage Rental: To pay Lessors their proportionate share of a Storage Acreage Rental at the rate of Four Dollars (\$4.00) per acre per year, payable annually in advance beginning on Aug. 31, 2010, and continuing for so long as the Leasehold is used for the underground storage of gas or for the protection of stored gas. Such Storage Acreage Rental shall be adjusted as provided in Paragraph 2b by reason of the Gas Storage Well Royalty; provided that in no event shall the payments to Lessor be an amount less than Lessors' proportionate share of the sum of Four Dollars (\$4.00) per acre per year. If the last gas storage well on the Leasehold is plugged and abandoned, but the Leasehold or any part thereof continues to lie within a gas storage field owned and operated by Columbia, then Storage Acreage Rental on the total acreage shall again accrue under this paragraph beginning on the first day of the calendar month after the plugging and abandonment of the last gas storage well, and continuing as provided in Paragraph 1, but the rental for the partial year shall be due and payable on the date that the next annual payment is due.
  4. Outstanding Interests: If Columbia receives evidence that Lessors do not have title to all or any part of the rights herein leased, Columbia will immediately notify Lessors and withhold all or any part of payments that would be otherwise due and payable hereunder to Lessors until the adverse claim is fully resolved.
  5. Liens: Columbia may, at its option, pay and discharge any past due taxes, mortgages, judgments, or other liens and encumbrances on or against any land or interest included in the Leasehold; and, if Columbia exercises this option, it shall be entitled to recover from the debtor, with legal interest and costs, by deduction from any future payments to Lessors or by any other lawful means.

6. Partial Interests: Should any one or more of the persons named as Lessor fail to execute this Lease, this Lease shall nevertheless be binding upon all persons who do execute this Agreement as Lessor.
7. Change in Land Ownership: Columbia shall not be bound by any change in the ownership of the Leasehold until furnished with such documentation as Columbia may reasonably require. Pending the receipt of said documentation, Columbia may elect either to continue to make or withhold payments as if such a change had not occurred.
8. Covenants: Lessors acknowledge and agree that there is no implied covenant to develop the Leasehold beyond its current use and that the Lessors agree that the consideration here in is full and adequate compensation as agreed among the parties. Any express or implied covenants of this Lease shall be subject to all Federal, State and local laws, executive orders, rules or regulations, and this Agreement shall not be terminated, in whole or in part, nor Columbia held liable for any damages nor forfeit any rights given by this Lease due to failure to comply with any obligations under this Lease, if compliance is prevented by any such law, order, rule or regulation, whether valid or invalid.

Lessors hereby acknowledge that all payments required to maintain this Lease in effect to the date hereof have been properly paid, received and accepted by Lessors. Further, Lessors recognize and agrees that the consideration paid herefor includes full payment in advance of the Gas Storage Rental for the first year of the extension of the term which begins on September 24, 2009

Except as herein provided, said Lease is in no way altered or amended and for the same consideration said Lease, as herein modified and amended, is hereby ratified, confirmed and adopted in every respect, and same is hereby declared to be a valid and subsisting Lease in full force and effect, and Lessors do hereby grant, lease and let unto Lessors the land and premises described in said Lease in accordance with its terms, tenor and effect of this Agreement.

This Agreement and all of its terms and conditions shall extend to and be binding upon Lessors, Columbia and their respective heirs, successors and assigns.

Witness the following signatures and seals.

WITNESS

Peggy Stewart

LANDOWNERS

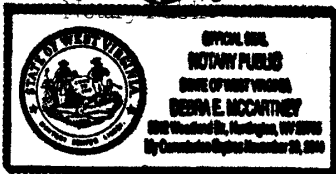
Paul S. Hammers  
\_\_\_\_\_

State of West Virginia  
 County of Cabell

On this, the 28<sup>th</sup> day of November, 2009 before me Debra E. McCartney  
Paul F. Hammers, the undersigned officer, personally appeared Paul F. Hammers  
 known to me (or satisfactorily proven) to be the person whose name  
 subscribed to the within instrument, and acknowledged that he/she executed the same for  
 the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

[SEAL]



Printed Name: Debra E. McCartney

My commission expires: NOV. 29, 2010

State of \_\_\_\_\_  
 County of \_\_\_\_\_

On this, the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me \_\_\_\_\_  
 the undersigned officer, personally appeared \_\_\_\_\_  
 known to me (or satisfactorily proven) to be the person whose name subscribed to the  
 within instrument, and acknowledged that he/she executed the same for the purposes  
 therein contained.

In witness whereof, I hereunto set my hand and official seal.

[SEAL]

Notary Public

Printed Name: \_\_\_\_\_

My commission expires: \_\_\_\_\_

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This instrument prepared by:  
 Beth R. Minear, Esq.  
 NiSource Corporate Services  
 1700 MacCorkle Avenue SE  
 Charleston, WV 25314

Jan Pest  
 MARSHALL County 10:25:58 AM  
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STATE OF WEST VIRGINIA, MARSHALL COUNTY, SCT.:

I, JAN PEST, Clerk of the County Commission of said County, do hereby certify that the annexed writing, bearing  
 date on the 3rd day of August, 2009, was presented for and by me, admitted to record in my office upon the  
 above certificate as to the parties therein named this 10th day of December, 2009 at 10:25 o'clock A.M.

TESTE: Jan Pest

Clerk.